

AMENDED IN SENATE APRIL 16, 2013

SENATE BILL

No. 116

Introduced by Senator Liu

January 16, 2013

An act to ~~amend~~ *repeal* Section 18855 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 116, as amended, Liu. Personal income taxes: contributions: Emergency Food Assistance Program.

The Personal Income Tax Law allows taxpayers, until January 1, 2014, to designate on their tax returns that a specified amount in excess of their tax liability be contributed to the Emergency Food Assistance Program, *unless earlier repealed for failure to meet annual minimum contribution amounts*.

This bill would *remove minimum contribution requirements and extend the operation of these provisions* ~~until January 1, 2019~~. *indefinitely*.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 **SECTION 1.** *Section 18855 of the Revenue and Taxation Code*
2 *is repealed.*
3 ~~18855. (a) This article shall remain in effect only until January~~
4 ~~1, 2014, and as of that date is repealed, unless a later enacted~~
5 ~~statute, that is enacted before January 1, 2014, deletes or extends~~
6 ~~that date.~~

~~(b) (1) By September 1, 2006, and by September 1 of each subsequent calendar year that the Emergency Food for Families Fund appears on a tax return, the Franchise Tax Board shall do all of the following:~~

~~(A) Determine the minimum contribution amount required to be received during the next calendar year for the fund to appear on the tax return for the taxable year that includes that next calendar year.~~

~~(B) Provide written notification to the State Department of Social Services of the amount determined in subparagraph (A).~~

~~(C) Determine whether the amount of contributions estimated to be received during the calendar year will equal or exceed the minimum contribution amount determined by the Franchise Tax Board for the calendar year pursuant to subparagraph (A). The Franchise Tax Board shall estimate the amount of contributions to be received by using the actual amounts received and an estimate of the contributions that will be received by the end of that calendar year.~~

~~(2) If the Franchise Tax Board determines that the amount of contributions estimated to be received during a calendar year will not at least equal the minimum contribution amount for the calendar year, this article is repealed with respect to taxable years beginning on or after January 1 of that calendar year.~~

~~(3) For purposes of this section, the minimum contribution amount for a calendar year means two hundred fifty thousand dollars (\$250,000) for the 1999 calendar year or the minimum contribution amount adjusted pursuant to subdivision (e).~~

~~(e) For each calendar year, beginning with calendar year 2000, the Franchise Tax Board shall adjust, on or before September 1 of that calendar year, the estimated contribution amount specified in subdivision (b) as follows:~~

~~(1) The minimum contribution amount for the calendar year shall be an amount equal to the product of the minimum contribution amount for the prior calendar year multiplied by the inflation factor adjustment as specified in paragraph (2) of subdivision (h) of Section 17041, rounded off to the nearest dollar.~~

~~(2) The inflation factor adjustment used for the calendar year shall be based on the figures for the percentage change in the California Consumer Price Index received on or before August 1~~

1 of the calendar year pursuant to paragraph (1) of subdivision (h)
2 of Section 17041.

3 (d) ~~Notwithstanding the repeal of this article, any contribution~~
4 ~~amounts designated pursuant to this article prior to its repeal shall~~
5 ~~continue to be transferred and disbursed in accordance with this~~
6 ~~article as in effect immediately prior to that repeal.~~

7 SECTION 1. ~~Section 18855 of the Revenue and Taxation Code~~
8 ~~is amended to read:~~

9 18855. (a) ~~This article shall remain in effect only until January~~
10 ~~1, 2019, and as of that date is repealed, unless a later enacted~~
11 ~~statute, that is enacted before January 1, 2019, deletes or extends~~
12 ~~that date.~~

13 (b) (1) ~~By September 1, 2014, and by September 1 of each~~
14 ~~subsequent calendar year that the Emergency Food for Families~~
15 ~~Fund appears on a tax return, the Franchise Tax Board shall do all~~
16 ~~of the following:~~

17 (A) ~~Determine the minimum contribution amount required to~~
18 ~~be received during the next calendar year for the fund to appear~~
19 ~~on the tax return for the taxable year that includes that next calendar~~
20 ~~year.~~

21 (B) ~~Provide written notification to the State Department of~~
22 ~~Social Services of the amount determined in subparagraph (A).~~

23 (C) ~~Determine whether the amount of contributions estimated~~
24 ~~to be received during the calendar year will equal or exceed the~~
25 ~~minimum contribution amount determined by the Franchise Tax~~
26 ~~Board for the calendar year pursuant to subparagraph (A). The~~
27 ~~Franchise Tax Board shall estimate the amount of contributions~~
28 ~~to be received by using the actual amounts received and an estimate~~
29 ~~of the contributions that will be received by the end of that calendar~~
30 ~~year.~~

31 (2) ~~If the Franchise Tax Board determines that the amount of~~
32 ~~contributions estimated to be received during a calendar year will~~
33 ~~not at least equal the minimum contribution amount for the calendar~~
34 ~~year, this article is repealed with respect to taxable years beginning~~
35 ~~on or after January 1 of that calendar year.~~

36 (3) ~~For purposes of this section, the minimum contribution~~
37 ~~amount for a calendar year means two hundred fifty thousand~~
38 ~~dollars (\$250,000) for the 1999 calendar year or the minimum~~
39 ~~contribution amount adjusted pursuant to subdivision (c).~~

1 ~~(e) For each calendar year, beginning with calendar year 2000,~~
2 ~~the Franchise Tax Board shall adjust, on or before September 1 of~~
3 ~~that calendar year, the estimated contribution amount specified in~~
4 ~~subdivision (b) as follows:~~

5 ~~(1) The minimum contribution amount for the calendar year~~
6 ~~shall be an amount equal to the product of the minimum~~
7 ~~contribution amount for the prior calendar year multiplied by the~~
8 ~~inflation factor adjustment as specified in paragraph (2) of~~
9 ~~subdivision (h) of Section 17041, rounded off to the nearest dollar.~~

10 ~~(2) The inflation factor adjustment used for the calendar year~~
11 ~~shall be based on the figures for the percentage change in the~~
12 ~~California Consumer Price Index received on or before August 1~~
13 ~~of the calendar year pursuant to paragraph (1) of subdivision (h)~~
14 ~~of Section 17041.~~

15 ~~(d) Notwithstanding the repeal of this article, any contribution~~
16 ~~amounts designated pursuant to this article prior to its repeal shall~~
17 ~~continue to be transferred and disbursed in accordance with this~~
18 ~~article as in effect immediately prior to that repeal.~~